



Chair Golden, Vice-Chair Heard & members of the Senate Natural Resources & Wildfire Recovery Committee,

Thank you for the opportunity today to provide testimony **opposing the -3 amendment to SB 335**, which proposes to make several changes to statutes governing and related to the Oregon Board of Forestry. For the record, my name is Mike Eliason, I am General Counsel and Director of Government Affairs for the Oregon Forest and Industries Council, a trade association representing timberland owners and forest products manufacturers from all over Oregon. Together, our members provide for themselves, their families and nearly 60,000 other households via direct employment from our lands and manufacturing facilities.

SB 335 -3 proposes to make three rather significant changes to ORS Chapters 526 and 527. One, it proposes to reduce the number of Board of Forestry members who derive a portion of their income from persons or organizations subject to regulation by the Department of Forestry. Second, it proposes to transfer the authority to hire and fire the state forester from the Board of Forestry to the Governor. Finally, it would eliminate the Regional Forest Practices Committees described in ORS 527.650. Most of my testimony will focus on the first and third proposed changes although OFIC also opposes transferring hiring authority to the Governor, as it unnecessarily politicizes the position and the agency, and is not a way of achieving long-term stability in agency administration.

Regarding the proposed changes to the Board of Forestry, we believe this is a solution in search of a problem, for a number of reasons. I challenge anyone to cite an example of a Board of Forestry decision in the last decade, or even twenty years, that was “unduly influenced” by virtue of having several members (regardless of whether the number was 1, 2, or 3 at the time) of the regulated community on the board. We feel strongly that no such example could be identified by an objective factfinder. In fact, there are plenty in the regulated community who think, if anything, the board could at times benefit from MORE representation from those with professional forestry experience. The old adage may apply here: if nobody is happy, then the correct balance may have been struck.

Second, if one of the defining principles of this bill is that good governance demands that representation be as free as possible from individual professional and financial interests, then why is this bill solely aimed at ODF and the Board of Forestry? Many, if not most, boards and commissions in Oregon have representation from the profession or industry being regulated. In many instances, these boards have even more representation. For example, 7 of the 9 members on the Board of Agriculture MUST be actively engaged in the production of agricultural commodities. Similar industry representation is required for the Oregon Health Policy Board, the Oregon Business Development Commission, the Teachers Standards and Practices Commission (where all but 2 of the 17 members come from the educator community), and any number of others. In California, the Board of Forestry is required to have representation from three members of the forest products industry.

In reality, this looks like a gratuitous and unnecessary shot at the forest products industry and for no compelling reason. The current requirements for the composition of the board are reasonable and in line with other boards and commissioners in Oregon, and in other states. Additionally, the \$1,000 annual income limit for other board members, either directly or indirectly from the forest products sector, is incredibly low and

inadvertently prohibit otherwise qualified members with, for example, a retirement account that simply invests part of their funds in timber management real estate investment trusts.

Finally, it should be noted that changes to the composition of the Board of Forestry were included in competing initiative petitions filed by both environmental interests and the forest products industry in 2019. The historic Memorandum of Understanding now proceeding as the Private Forest Accord resulted in those initiatives being set aside in order to focus on delivering both SB 1602 in a special session last year and ongoing negotiations toward a private forest Habitat Conservation Plan (HCP). So why is this issue being revived now?

With respect to the elimination of the Regional Forest Practices Committees, having regular open dialogue with the regulated community is a part of good governance, whether that is referring to community policing, oversight in the medical field, or setting policies governing forest practices. The Regional Forest Practices Committees give the agency and Board of Forestry opportunity to receive insight from practicing foresters, forest engineers, landowners, and watershed managers, helping inform policymakers when new rules, guidance documents, or other forest policies are being developed. Through statute, current law provides the Board with authority to appoint members to this committee in order to create the opportunity for dialogue. That said, nothing in the statute binds or directs Board policy in creating rules or setting priorities, the committees are purely advisory in nature. The reason similar committees do not exist in statute for other stakeholders, such as recreation or tourism is simple: those industries are not being regulated by the agency.

In closing, as stated at the beginning, this bill is a solution in search of a problem. It calls into questions the motives of dedicated Oregonians who volunteer their time for a time-consuming, unpaid role on a statewide Board and ancillary advisory committees, and we urge the committee to not move this bill forward, particularly at a time when so much good work is going on in the forest products industry. Opportunities abound this session to make progress on comprehensive wildfire policy and negotiations outside the Capitol on a private forest HCP are currently proceeding. Let's focus on moving the ball forward on these other issues of critical importance and not get bogged down in tired, old fights.

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